

VZCZCXRO1315  
PP RUEHDE RUEHDIR  
DE RUEHKU #0240 0501322  
ZNR UUUUU ZZH  
P 191322Z FEB 07  
FM AMEMBASSY KUWAIT  
TO RUEHC/SECSTATE WASHDC PRIORITY 8324  
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE PRIORITY  
RHEHNSC/NSC WASHDC PRIORITY  
RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY

UNCLAS KUWAIT 000240

SIPDIS

SENSITIVE  
SIPDIS

STATE FOR EBB/ESC/IEC, NEA/ARP; ENERGY FOR IE

E.O. 12958: N/A  
TAGS: [ENRG](#) [ECON](#) [EWWT](#) [OIL](#) [SECTOR](#)  
SUBJECT: KUWAITI REFINERIES SHUT DOWN FOR ONE HOUR DUE TO  
POWER FAILURE

REF: 06 KUWAIT 4349

¶1. (SBU) On February 18, all three of Kuwait's refineries temporarily shut down after an electrical substation unexpectedly ceased to provide power between approximately 10 a.m. and 11 a.m. local time (0700-0800 GMT). The power failure affected the entire Shuaiba industrial area which, in addition to the refineries, also includes major petrochemical facilities, Kuwait's largest commercial port, and the Shuaiba Naval Base (which serves as the U.S. military's sea port of debarkation). Asa'ad Al-Saad, Director of Operations for the Ahmadi refinery - the largest of the three - told Econoff that preliminary reports indicate that the failure at the substation was the result of a "miscommunication" between personnel in the Ministry of Electricity and Water's National Control Center and operators carrying out routine maintenance at the substation in question. There were no reported injuries and no/no indication that terrorism or sabotage was involved.

¶2. (SBU) Al-Saad explained that the refineries are designed to draw power from an alternate source if the primary power source fails, but in this case, the alternate power supply was slow to come online. Consequently, he said, the refinery operators used installed emergency power to safely shutdown all three refineries without incident and are now in the process of restoring them to normal operating capacity. He added that although the failure (and the subsequent time required to return operation levels to normal) would effectively mean the loss of 1 to 1.5 days of refinery production, there should be no effect on exports of refined products since the Kuwait National Petroleum Company's ample reserves would compensate for the lost production. (Note: The three refineries have a combined capacity of 915,000 barrels per day, 80 percent of which is for export. End note.) The Ministry of Electricity and Water, he said, has initiated a formal investigation into the incident.

¶3. (SBU) Comment: Kuwait's refinery operations were also impacted by fires at the Shuaiba refinery in November 2006 (reftel) and January 2007, both attributed to equipment failures. In the present case, the disruption appears to be the result of operator error in the Ministry of Electricity and Water rather than any problem with the material condition of the aging refineries.

\*\*\*\*\*  
For more reporting from Embassy Kuwait, visit:  
<http://www.state.sgov.gov/p/nea/kuwait/?cable s>

Visit Kuwait's Classified Website:  
<http://www.state.sgov.gov/p/nea/kuwait/>  
\*\*\*\*\*

